## Amendments to the Claims:

This listing of claims will replace all prior versions and listings of claims in the application:

## **Listing of Claims:**

1. (currently amended) A telephone system for transmitting telephone signals between first and second mobile stations, said system comprising:

a first internet protocol interface configured to receive an incoming cell phone signal generated by the first mobile station, and to transmit said phone signal to the internet; and

a second internet protocol interface configured to receive said phone signal sent through the internet by said first internet protocol interface and to transmit said phone signal to the second mobile station, such that users of the first and second mobile stations can engage in a conversation where said phone signals are communicated over substantial distances through the internet, wherein one of said first and second internet protocol interfaces each maintains an echo canceller/equalizer module configured to correct distortions in said phone signal caused by the travel of said phone signal through free air, server delays and internet delays.

2. (original) A telephone system as claimed in claim 1, wherein said first

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internet protocol interface is further comprised of a first address reader module configured to read the phone number of the destination second mobile station entered by the user the first mobile station.

- 3. (original) A telephone system as claimed in claim 2, wherein said first internet protocol interface is further comprised of a first software controller module configured to process the address information for the second mobile station provided as provided by said first address reader module.
  - 4. (cancelled)
- 5. (original) A telephone system as claimed in claim 4, wherein said first internet protocol interface is further comprised of a first analog/digital converter configured to convert a voice portion of said phone signal into digital format.
- 6. (original) A telephone system as claimed in claim 1, wherein said first internet protocol interface is further comprised of a internet protocol converter module configured to embed said phone signal into a packetized digital data stream for transmission through the internet.
  - 7. (original) A telephone system as claimed in claim 6, wherein said second

internet protocol interface is further comprised of a internet protocol de-converter module configured to remove said phone signal from said packetized digital data stream.

- 8. (original) A telephone system as claimed in claim 1, wherein said second internet protocol interface is further comprised of a second software controller module configured to process address information of the second mobile station provided by the user of the first mobile station.
- 9. (original) A telephone system as claimed in claim 8, wherein said second internet protocol interface is further comprised of a second address reader module configured to read said address information provided by said second software controller so as to direct said cell phone signal through the public switched telephone network to the second mobile station.
- 10. (original) A telephone system as claimed in claim 1, wherein said second internet protocol interface in further comprised of a second digital/analog converter, configured to configured to convert the voice portion of said phone signal in to analog format.
- 11. (original) A telephone system as claimed in claim 10, wherein said second internet protocol interface is further comprised of a second echo canceller/equalizer module configured to correct distortions in said phone signal caused by the travel of said phone signal through the internet.

- 12. (original) A telephone system as claimed in claim 1, wherein the first and second mobile stations are cell phones.
- 13. (original) A telephone system as claimed in claim 1, wherein the said phone signal can be transmitted from said first internet protocol interface to said second internet protocol interface via a private packet switched network.
- 14. (currently amended) A telephonic method of transmitting cell phone signals between first and second mobile stations on a telephone system, said system having first and second internet protocol interfaces and first and second cell towers, said method comprising the steps of;

generating a cell phone signal at a first mobile station;

receiving said cell phone signal is received by the first cell tower and communicated to the first internet protocol interface;

conducting echo cancellation in said first internet protocol interface on said cell

phone call to correct distortions in said phone signal caused by the travel of said phone signal

through free air, server delays and internet delays;

<u>transmitting</u> said cell phone signal is transmitted by the first internet protocol database into the internet;

receiving said cell phone signal is received by the second internet protocol

interface, conducting echo cancellation in said first internet protocol interface on said cell phone call to correct distortions in said phone signal caused by the travel of said phone signal through free air, server delays and internet delays, and delivered to the second cell tower; and

receiving said cell phone signal is received at the second mobile, such that the first and second mobile station are in communication with each other.

- 15. (original) The telephone method as claimed in 14, further comprising the step of embedding said phone signal into a packetized digital data stream before the first internet protocol interface transmits said phone signal into the internet.
- 16. (original) The telephone method as claimed in 15, further comprising the step of recovering said embedded phone signal from said packetized digital data stream after said phone signal is received by the second internet protocol interface.

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